

FORM B1 UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE		VOLUNTARY PETITION
Name of Debtor (if individual, enter Last, First, Middle): FACTORY 2-U STORES, INC., a Delaware corporation		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names): a/k/a Factory 2-U; f/a/k/a General Textiles, Inc., f/a/k/a General Textiles; f/a/k/a Family Bargain Corporation; f/a/k/a Family Bargain Center		All Other Names used by the Joint Debtor in the last 6 years (include married, maiden, and trade names):
Soc Sec /Tax I D No 51-0299573		Soc Sec /Tax I D No (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): 4000 Ruffin Road San Diego, California 92123-1866		Street Address of Joint Debtor (No. & Street, city, State & Zip Code):
County of Residence or of the Principal Place of Business: San Diego County		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): Same as Above		Mailing Address of Joint Debtor (if different from street address):
Location of Principal Assets of Business Debtor (if different from street address above):		

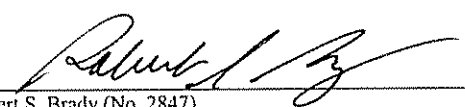
Information Regarding the Debtor (Check the Applicable Boxes)

Venue (Check any applicable box) <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District																											
Type of Debtor (Check all boxes that apply) <input type="checkbox"/> Individual(s) <input type="checkbox"/> Railroad <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Stockbroker <input type="checkbox"/> Partnership <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Other _____				Chapter or Section of Bankruptcy Code Under Which the Petition Is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Sec 304 - Case ancillary to foreign proceeding																							
Nature of Debts (Check one box) <input type="checkbox"/> Consumer/Non-Business <input checked="" type="checkbox"/> Business				Filing Fee (Check one box) <input checked="" type="checkbox"/> Full filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments Rule 1006(h) See Official Form No. 3																							
Chapter 11 Small Business (Check all boxes that apply) <input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. § 101 <input type="checkbox"/> Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(e) (Optional)																											
Statistical/Administrative Information (Estimates only) <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.																											
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: left;">Estimated Number of Creditors</td> <td style="text-align: center;">1-15</td> <td style="text-align: center;">16-49</td> <td style="text-align: center;">50-99</td> <td style="text-align: center;">100-199</td> <td style="text-align: center;">200-999</td> <td style="text-align: center;">1,000-over</td> </tr> <tr> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>							Estimated Number of Creditors	1-15	16-49	50-99	100-199	200-999	1,000-over		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>							
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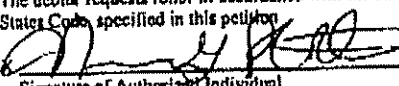
THIS SPACE IS FOR COURT USE ONLY

(Official Form 1) (9/97)

FORM B1, Page 2

Voluntary Petition (This page must be completed and filed in every case)		Name of Debtor(s) FACTORY 2-U STORES, INC.	
Prior Bankruptcy Case Filed Within Last 6 Years (if more than one, attach additional sheet)			
Location Where Filed:		Case Number:	
		Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (if more than one, attach additional sheet)			
Name of Debtor:		Case Number:	
District:		Relationship:	
		Judge:	
Signatures			
Signature(s) of Debtor(s) (Individual/Joint) I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. I request relief in accordance with the chapter of title 11, United States Code, specified in this petition. X _____ Signature of Debtor X _____ Signature of Joint Debtor Telephone and Fax Number (if not represented by attorney) _____ Date _____		Signature of Debtor (Corporation/Partnership) I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor. The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition. X _____ Signature of Authorized Individual Norman G. Plotkin Chief Executive Officer January _____, 2004	
Signature of Attorney X  Robert S. Brady (No. 2847) M. Blake Cleary (No. 3614) Young Conaway Stargatt & Taylor, LLP The Brandywine Building 1000 West Street 17 th Floor P.O. Box 391 Wilmington, DE 19899-0391 Tel: (302) 571-6600 Fax: (302) 571-1253 January <u>13</u> , 2004		Signature of Non-Attorney Petition Preparer I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document. _____ Printed or Typed Name of Bankruptcy Petition Preparer _____ Social Security Number _____ Address _____ Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document: If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person. X _____ Signature of Bankruptcy Petition Preparer _____ Date	
Exhibit "A" (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11) <input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.			
Exhibit "B" (To be completed if debtor is an individual whose debts are primarily consumer debts) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, and have explained the relief available under each such chapter. X _____ Signature of Attorney for Debtor(s) Date _____			
Exhibit "C" Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition <input checked="" type="checkbox"/> No		A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. § 110; 18 U.S.C. § 156	

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Name of Debtor:		Case Number:	Date Filed:
District:		Relationship:	Judge:
Signatures			
Signature(s) of Debtor(s) (Individual/Joint) I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. I request relief in accordance with the chapter of title 11, United States Code, specified in this petition. X _____ Signature of Debtor X _____ Signature of Joint Debtor Telephone and Fax Number (if not represented by attorney) _____ Date: _____		Signature of Debtor (Corporation/Partnership) I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor. The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.  Signature of Authorized Individual Norman G. Plotkin Chief Executive Officer January 12, 2004	
Signature of Attorney X _____ Robert S. Brady (No. 2847) M. Blake Cleary (No. 3614) Young Conway Stargatt & Taylor, LLP The Brandywine Building 1000 West Street 17th Floor P.O. Box 391 Wilmington, DE 19899-0391 Tel: (302) 571-6600 Fax: (302) 571-1253 January 12, 2004		Signature of Non-Attorney Petition Preparer I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document. _____ Printed or Typed Name of Bankruptcy Petition Preparer _____ Social Security Number _____ Address _____ Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document: If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person. X _____ Signature of Bankruptcy Petition Preparer _____ Date	
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Form B1, Exh. A

Exhibit "A"

[If debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11 of the Bankruptcy Code, this Exhibit "A" shall be completed and attached to the petition.]

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re FACTORY 2-U STORES, INC.,
a/k/a FACTORY 2-U, f/a/k/a
GENERAL TEXTILES, INC.,
f/a/k/a GENERAL TEXTILES,
a/k/a FAMILY BARGAIN CORPORATION,
f/a/k/a FAMILY BARGAIN CENTER,

Debtor

Case No 04-

Chapter 11

Exhibit "A" to Voluntary Petition

1. If any of the debtor's securities are registered under Section 12 of the Securities and Exchange Act of 1934, the SEC file number is 01-10089
2. The following financial data is the latest available information and refers to debtor's condition on January 3, 2004.

a.	Total assets	<u>\$136,485,000.00</u>	
b.	Total debts (including debts listed in 2 c., below)	<u>\$73,536,000.00</u>	
c.	Debt securities held by more than 500 holders.		Approximate number of holders
	<input type="checkbox"/> secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated	\$ _____	_____
	<input type="checkbox"/> secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated	\$ _____	_____
	<input type="checkbox"/> secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated	\$ _____	_____
	<input type="checkbox"/> secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated	\$ _____	_____
	<input type="checkbox"/> secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated	\$ _____	_____
d.	Number of shares of preferred stock	<u>0 (*)</u>	<u>0 (*)</u>
e.	Number of shares of common stock	<u>17,971,178</u>	<u>over 5,000</u>

Comments, if any: (*) Although Factory 2-U Stores, Inc., authorized 7,500,000 shares of preferred stock, as of the Petition Date, no shares of preferred stock are currently outstanding.

3. Brief description of debtor's business: Factory 2-U Stores, Inc., is a publicly traded company that operates a chain of off-price retail apparel and home related merchandise stores in ten (10) states.
4. List the names of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of debtor: Quilvest American Equity, Ltd.; Quilvest Overseas, Ltd; Quilvest S.A.; The TCW Group, Inc.; Trust Company of the West; TCW Asset Management Company Societe Generale, S.A.; Cannell Capital LLC; J. Carlo Cannell; The Anegada Fund Limited; The Cuttyhunk Fund Limited; Tonga Partners, L.P.; GS Cannell Portfolio, LLC; and Pleiades Investment Partners, L.P.

**CERTIFICATE OF RESOLUTIONS OF THE BOARD OF DIRECTORS
OF FACTORY 2-U STORES, INC., A DELAWARE CORPORATION,
AUTHORIZING, AMONG OTHER THINGS, FILING A PETITION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

I, Susan M. Skrokov, Secretary of Factory 2-U Stores, Inc., a Delaware corporation (the "Corporation"), hereby certify that at a duly and validly noticed special meeting of the Board of Directors of the Corporation duly and validly commenced on January 8, 2004, the following resolutions were duly and validly adopted, and that said resolutions have not been modified or rescinded, and are still in full force and effect on the date hereof:

RESOLVED, that in the judgment of the Board of Directors, it is desirable and in the best interests of the Corporation, its creditors, stockholders, employees and other interested parties that a petition be filed by the Corporation seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"); and it is further

RESOLVED, that Norman G. Plotkin, Chief Executive Officer of the Corporation, John Swygert, Senior Vice President and Chief Financial Officer of the Corporation, and Susan M. Skrokov, Secretary of the Corporation, (the "Authorized Officer," and together, the "Authorized Officers") are, and each of them is, hereby authorized and empowered on behalf of, and in the name of, the Corporation to execute and verify or certify a petition under chapter 11 of the Bankruptcy Code, and to cause the same to be filed in the United States Bankruptcy Court for the District of Delaware at such time as said officer executing the same shall determine and in such form or forms as such officer may approve, subject to finalizing an agreement for debtor-in-possession financing consistent with the terms presented to the Board; and it is further

RESOLVED, that each of the Authorized Officers be, and each of them is, hereby authorized on behalf of, and in the name of, the Corporation to execute any and all plans of reorganization under chapter 11 of the Bankruptcy Code, including any and all modifications, supplements, and amendments thereto, and to cause the same to be filed in the United States Bankruptcy Court for the District of Delaware at such time as said officer executing the same shall determine; and it is further

RESOLVED, that each of the Authorized Officers be, and each of them hereby is, authorized to execute and file all petitions, schedules, motions, applications, pleadings, lists and other papers, and to take any and all such other and further action which the Authorized Officers or the Corporation's reorganization counsel may deem necessary or appropriate to file the voluntary petition for relief under chapter 11, and to take and perform any and all further acts and deeds which they deem necessary, proper and desirable in connection with the chapter 11 case, with a view to the successful prosecution of such case; and it is further

RESOLVED, that each of the Authorized Officers of the Corporation be, and each of them hereby is, authorized to employ and retain legal counsel, financial advisors, accounts and other professionals, to advise the Corporation in connection with its case under chapter 11 of the Bankruptcy Code and in related or other matters; and it is further

RESOLVED, that the law firm of Hennigan, Bennett & Dorman LLP, 601 South Figueroa Street, Suite 3300, Los Angeles, California 90017, be, and hereby is, employed as reorganization counsel for the Corporation in connection with the prosecution of the Corporation's case under chapter 11 of the Bankruptcy Code; and it is further

RESOLVED, that the financial consulting firm of Crossroads LLC, 9 Executive Circle, Suite 190, Irvine, California 92614, be, and hereby is, employed as financial advisors for the Corporation in connection with the prosecution of the Corporation's case under chapter 11 of the Bankruptcy Code; and it is further

RESOLVED, that the law firm of Hughes Hubbard & Reed LLP, 350 S. Grand Avenue, Suite 3600, Los Angeles, California 90071, be, and hereby is, employed as general corporate, securities, real estate, litigation and tax counsel for the Corporation in connection with its case under chapter 11 of the Bankruptcy Code and in related and other matters; and it is further

RESOLVED, that the accounting firm of Ernest & Young LLP, 501 West Broadway, San Diego, California 92101, be and hereby is, employed as the Corporation's independent certified public accounting firm; and it is further

RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized and directed on behalf of the Corporation to take such actions and to make, sign, execute, acknowledge and deliver (and record in a relevant office of the county clerk, if necessary) and all such agreements listed above (including exhibits thereto), including any and all affidavits, orders, directions, certificates, requests, receipts, financing statements or other instruments as may reasonably be required to give effect to these Resolutions, and to execute and deliver such agreements (including exhibits thereto) and related documents, and to fully perform the terms and provisions thereof; and it is further

RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized and directed on behalf of the Corporation to take such actions and to make, sign, execute, acknowledge and deliver all such additional documents, agreements and certificates as may reasonably be required to give effect to the consummation of the transactions contemplated by these Resolutions and any chapter 11 plan of reorganization, and to execute and deliver such documents, agreements and certificates, and to fully perform the terms and provisions thereof; and it is further

RESOLVED, that to the extent that any of the actions authorized by any of these Resolutions have been taken by any of the Authorized Officers of the Corporation on its behalf, such actions are hereby ratified and confirmed in their entirety.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of January 2004.



Susan M. Skrokov
Secretary
of Factory 2-U Stores, Inc.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re)	Chapter 11
)	
FACTORY 2-U STORES, INC., a/k/a)	Case No. 04-_____
FACTORY 2-U, f/a/k/a GENERAL)	
TEXTILES, INC., f/a/k/a GENERAL)	
TEXTILES, f/a/k/a FAMILY BARGAIN)	
CORPORATION, f/a/k/a FAMILY)	
BARGAIN CENTER,)	
)	
Debtor.)	

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims.

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
1. Landmark Secondary Partners IX 760 Hopmeadow Street Simsbury, CT 06070 Scott Comors	Landmark Secondary Partners IX 760 Hopmeadow Street, Simsbury, CT 06070 Scott Comors Phone: 860-651-9760 Fax: 860-651-8890	Subordinated Notes		\$5,410,725.00
2. American Endeavour Fund Limited c/o KB (US) Asset Managers LLC 75 Wall Street New York, NY 10005 Richard Wolf	American Endeavour Fund Limited c/o KB (US) Asset Managers LLC 75 Wall Street New York, NY 10005 Richard Wolf Phone: 212-429-3083 Fax:	Subordinated Notes		\$5,294,373.00
3. Valassis Communications, Inc. 19975 Victor Parkway Livonia, MI 48152 Jeff Blackman	Valassis Communications, Inc. 19975 Victor Parkway, Livonia, MI 48152 Jeff Blackman Phone: 734-5913000 Fax:	Trade		\$2,218,981.75

4. Remedy File No 92460 Los Angeles, CA 90074 Julie Osuna	Remedy File No 92460 Los Angeles, CA 90074 Julie Osuna Phone: 949-425-7635 Fax:	Trade		\$1,549,274 98
5. Royal & SunAlliance P O Box 60010 Charlotte, NC 28260 Tom Biede	Royal & SunAlliance P O Box 60010 Charlotte, NC 28260 Tom Biede Phone: 800-544-585 x 707 Fax:	Trade		\$1,394,430 78
6. Prestige Global Co 1350 Broadway, Suite 1505 New York, NY 10018	Prestige Global Co 1350 Broadway, Suite 1505, New York, NY 10018 Phone: 212-629-4680 Fax:	Trade		\$815,994 30
7. Horizon Media Inc Lock Box 10409 P O Box 10409 Newark, NJ 07193	Horizon Media Inc Lock Box 10409 P O Box 10409 Newark, NJ 07193 Phone: 212-725-1682 Fax: 212-682-7010	Trade		\$542,219 36
8. One Step Up 1407 Broadway 32nd Floor New York, NY 10018 Harry Adjme	One Step Up 1407 Broadway 32nd Floor New York, NY 10018 Harry Adjme Phone: 212-398-6010 Fax: 212-719-4925	Trade		\$403,228 10
9. Kardar Industries Inc 4587 Maywood Ave Vernon, CA 90058	Kardar Industries Inc 4587 Maywood Ave, Vernon, CA 90058 Phone: 323-584-4845 Fax: 323-584-4203	Trade		\$382,722 25
10. A & B Honda Group Inc 1607 S Campus Ave Ontario, CA 91761	A & B Honda Group Inc 1607 S Campus Ave, Ontario, CA 91761 Phone: 909-923-8338 Fax: 909-923-8886	Trade		\$376,701 00
11. Longstreet 5 Paddock Street Avenel, NJ, 07001 Elliot Tawille	Longstreet 5 Paddock Street Avenel, NJ, 07001 Elliot Tawille Phone: 732-855-1400 Fax:	Trade		\$367,782 47
12. Style Asia Inc 101 Moonachie Ave Moonachie, NJ 07074	Style Asia Inc 101 Moonachie Ave, Moonachie, NJ 07074 Phone: 201-460-9611 Fax: 201-460-4707	Trade		\$310,111 50
13. OKK Trading Inc 5500 E Olympic Blvd Suite A Commerce, CA 90058	OKK Trading Inc 5500 E Olympic Blvd Suite A Commerce, CA 90058 Phone: 323-725-8800 Fax: 323-725-8899	Trade		\$287,770 44
14. Frito Lay 4953 Paramont Drive San Diego, CA 92123	Frito Lay 4953 Paramont Drive San Diego, CA 92123 Phone: 800-374-8634 Fax: 858-576-3333	Trade		\$279,895 99
15. C W C Inventories Inc 2644 Metro Blvd St Louis, MO 63043 Mark Gingberg	C W C Inventories Inc 2644 Metro Blvd St Louis, MO 63043 Mark Gingberg Phone: 314-739-1311 Fax:	Trade		\$278,040 95

16. IFE Apparel, Inc 12 Horizon Blvd S Hackensack, NJ 07606 Contact name - David Jung	IFE Apparel, Inc 12 Horizon Blvd S Hackensack, NJ 07606 Contact name - David Jung Phone - (201) 641-5400 Fax - (201) 641-5488	Trade		277,604 75
17. Jordache 1400 Broadway, 14th Floor New York, NY 10018 Isaac Mossay	Jordache 1400 Broadway, 14th Floor, New York, NY 10018 Isaac Mossay Phone: 212-944-1330 Fax:	Trade		\$270,746 40
18. Apparel Trading International 141 West 36th Street 11th Floor New York, NY 10018 Maurt Agirnasli	Apparel Trading International 141 West 36th Street 11th Floor New York, NY 10018 Maurt Agirnasli Phone: 212-563-3310 Fax: 212-563-3340	Trade		\$266,037 60
19. Step by Step Fashion 2078 Compton Los Angeles, CA 90011	Step by Step Fashion 2078 Compton Los Angeles, CA 90011 Phone: 213-746-7474 Fax: 213-746-2125	Trade		\$257,462 85
20. Republic Import Co , Inc 5445 Sheila Street Commerce, CA 90040	Republic Import Co , Inc 5445 Sheila Street, Commerce, CA 90040 Phone: 323-887-2700 Fax: 323-887-2701	Trade		\$231,162 00

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re)	Chapter 11
)	
FACTORY 2-U STORES, INC., a/k/a)	Case No. 04-_____
FACTORY 2-U, f/a/k/a GENERAL)	
TEXTILES, INC., f/a/k/a GENERAL)	
TEXTILES, f/a/k/a FAMILY BARGAIN)	
CORPORATION, f/a/k/a FAMILY)	
BARGAIN CENTER,)	
)	
Debtor.)	

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

The foregoing is a list containing the names and addresses of the Debtor's top 20 unsecured creditors. This list is being filed pursuant to 11 U.S.C. §521 and Bankruptcy Rules 1007 and 1008. The debtor herein, Factory 2-U Stores, Inc. (the "Debtor"), reserves the right to file an amended or supplemental list of 20 largest creditors. This list is accurate to the best of the undersigned's knowledge, information and belief, subject to further review.

This list of creditors is preliminary and not audited. As a result, the Debtor reserves the right to amend and/or supplement this list as the Debtor reviews and evaluates its business, operations, assets and liabilities. In addition, the Debtor does not make, and specifically disclaims, any representation or warranty as to the completeness and accuracy of the information herein. Nonetheless, the Debtor has endeavored to make the descriptions herein as complete and accurate as possible under the circumstances.

I, Norman G. Plotkin, the Chief Executive Officer, debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: January 12, 2004


By: Norman G. Plotkin
Chief Executive Officer

(The penalty for making a false statement or concealing property is a fine up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. sections 152 and 3571).